

EMPLOYMENT AGREEMENT

City Manager Pro Tem

BETWEEN: **City of Eugene** **(City)**

AND: **Sarah Medary** (**Medary**)

RECITALS:

- A. The Charter of the City of Eugene (Charter) provides that if the office of City Manager becomes vacant, the Mayor shall appoint a City Manager Pro Tem. The City Manager Pro Tem shall have all functions and authority of the City Manager, but may appoint or dismiss a department head only with the approval of the council. The term of office of City Manager Pro Tem ends when a City Manager takes office.
- B. Jon R. Ruiz has announced that he will retire as City Manager effective at 5:00 p.m. on October 18, 2019.
- C. Mayor Lucy Vinis (Mayor) wishes to appoint Medary as City Manager Pro Tem effective at 5:01 p.m. on October 18, 2019, and Medary wishes to accept that position, on the terms set forth in this Agreement.

AGREEMENTS:

1. **Duties.**
 - 1.1. City agrees to employ Medary as City Manager Pro Tem, to perform the functions and duties of this position in accordance with Section 16 of the Charter, and to perform other legally permissible duties and functions as shall be assigned to her from time to time.
 - 1.2. Medary agrees to remain in the exclusive employ of the City during her tenure as City Manager Pro Tem. However, in recognition that certain outside speaking, writing, teaching, and consulting opportunities provide indirect benefits to the City and the community, Medary may accept limited speaking, writing, teaching and/or consulting opportunities with the understanding that such arrangements must neither constitute an interference with, nor a conflict of interest with, Medary's responsibilities under this Agreement.
2. **Term.**
 - 2.1. This Agreement shall remain in effect until a newly appointed City Manager takes office, unless either party terminates this Agreement sooner pursuant to paragraph 3 of this Agreement.

- 2.2.** Nothing in this Agreement shall prevent, limit or interfere with the right of the Mayor to terminate the services of Medary as City Manager Pro Tem at any time without notice and without cause, subject only to the provisions of paragraph 3 of this Agreement.
- 2.3.** The Mayor and Medary may agree to modify this Agreement at any time. Any modifications must be made in writing.

3. Termination and Return to Former Position.

- 3.1.** The Mayor may terminate the services of Medary as City Manager Pro Tem upon 30 days' written notice to Medary.
- 3.2.** Medary may terminate this Agreement and relinquish her position as City Manager Pro Tem upon 30 days' written notice to the Mayor.
- 3.3.** This Agreement will automatically terminate when a newly appointed City Manager takes office.
- 3.4.** If this Agreement is terminated pursuant to paragraphs 3.1, 3.2 or 3.3, above, Medary will have the right to return to her former position as Executive Director of Public Works. If she returns to her former position, Medary will receive the same salary and benefits she received at the time she vacated the position, together with any increases in benefits, market adjustment pay increases (MAPs) and competency adjustment pay increase (CAPs) given to all other exempt management employees of the City in the interim. Medary cannot be terminated from employment with the City while serving as City Manager Pro Tem for any reason other than the commission of a felony or a misdemeanor involving moral turpitude.
- 3.5.** Medary shall receive severance pay in the amount of six-months' total compensation (*i.e.*, base salary, health insurance, PERS contribution, deferred compensation, auto allowance, and cell allowance) at her current rate as Executive Director of Public Works, a complete package of outplacement services at a career placement firm, and other reasonable accommodations to seek another position if Medary returns to her former position as Executive Director of Public Works, and, within one year of her return to the Executive Director of Public Works position:
 - 3.5.1.** Is terminated from employment with the City for any reason other than the commission of a felony, or a misdemeanor involving moral turpitude, or
 - 3.5.2.** Is transferred or demoted to another position at the City that is not comparable in responsibility, pay or benefits to the Executive Director of Public Works position, or
 - 3.5.3.** Has her salary or other financial benefits reduced in a greater percentage than an applicable across-the-board reduction for all Executive Managers.

4. **Salary and Benefits.** For Medary's services as City Manager Pro Tem pursuant to this Agreement, the City agrees to provide Medary the following salary and benefits:
 - 4.1. A base salary of \$189,404.80/annually (\$91.06/hourly) for the first six months. After six months of Medary holding the City Manager Pro Tem position, Medary shall receive a six percent increase to her City Manager Pro Tem base salary which shall be paid until a permanent City Manager begins employment with the City.
 - 4.2. Market adjustment pay increases will be given Medary at the same time each year and at the same percentage as given to the non-represented employee group.
 - 4.3. A transportation allowance of \$350 per month and a smartphone allowance of \$65 per month. The allowance amount will be updated periodically to align with the non-represented stipend amount when it is adjusted.
 - 4.4. A deferred compensation benefit in the amount of \$9,000 per year (prorated if less than one year), which will be added to stated salary for payroll purposes.
 - 4.5. Participation in the state's public employees retirement system ("PERS") as generally available to City's other exempt, managerial employees.
 - 4.6. Insurance benefits, including medical, dental, vision, life and long-term disability insurance, and the City's employee assistance program, as generally available to City's other exempt managerial employees.
 - 4.7. Vacation, sick leave, and holiday leave benefits in accordance with City's policies and practices with as generally available to the City's other exempt, managerial employees. Additionally, Medary will receive 15 days of management vacation leave per year prorated on a bi-weekly basis during her term as City Manager Pro Tem to compensate for extra hours worked. At the end of this Agreement, Medary can request pay-out of the balance of her unused management vacation leave.
5. **Indemnification.** The City shall defend and indemnify Medary against any tort, professional liability claim or demand, or other legal action arising out of an alleged act or omission occurring in the performance of Medary's duties as City Manager Pro Tem, unless prohibited by law. The duties of City Manager Pro Tem do not include the commission of any criminal act or intentional tort. This indemnification shall include the cost of defense, provided that the City shall choose or approve legal representation for Medary and will retain control over the defense of the claim, including the sole power to compromise and settle any claim or action and pay the amount of the settlement or judgment.
6. **Bonding.** The City shall pay the full cost of any fidelity or other bonds required of Medary by law or ordinance.

7. **Notices.** Notices pursuant to this Agreement shall be given by deposit in the United States Mail, postage prepaid, addressed as follows:

City: Lucy Vinis
Mayor, City of Eugene
125 East 8th Avenue, 2nd Floor
Eugene, OR 97401

Employee: Sarah Medary
125 E. 8th Avenue, 2nd Floor
Eugene, OR 97401

Alternately, notices required by this Agreement may be personally served. Notice shall be deemed given as of the date of personal service or three business days after the date of deposit of such written notice in the United States Mail.

8. **Review by Independent Counsel.** Medary acknowledges that the City has advised her to have this Agreement reviewed by an attorney of her choice.

9. **Effective Date.** The appointment of Medary as City Manager Pro Tem and this Agreement shall become effective at 5:01 p.m. on October 18, 2019, the effective date of the retirement of Jon R. Ruiz as City Manager.

10. **Voluntary Agreement.** Medary acknowledges that she understands the terms of this Agreement and that she has entered into it voluntarily.

11. **Integration.** The terms of the parties' agreement are set forth completely in this written document. This Agreement supersedes all prior or contemporaneous oral and written agreements, understandings, and commitments. Medary acknowledges that she has not relied on any other representation or promises by the City, its agents, employees or representatives, except those contained in this Agreement.

12. **Severability of Provisions.** Any provision, or portion of any provision in this Agreement that is held unenforceable, void, or unconstitutional shall not affect the remainder of the terms of this Agreement or any portion thereof which shall be deemed severable and shall remain in full force and effect. In the event that a provision is held unenforceable, void, or unconstitutional, the Mayor and Medary shall discuss what changes, if any, should be made in response.

13. **Construction.** It is the intent of the parties that this Agreement and the appointment of Medary as the City Manager Pro Tem comply, in all aspects, with the provisions of the Charter and City Code. If any provision of this Agreement is capable of two constructions, only one of which complies with the Charter and City Code, the construction that complies

with the Charter and City Code shall control. If any provision of the Agreement conflicts with the Charter or City Code, the Charter or City Code shall control and the conflicting provision of this Agreement shall be of no effect. All other provisions not in conflict with the Charter or City Code shall remain in full force and effect. Without limiting the foregoing, this Agreement will be governed by and interpreted in accordance with the laws of the State of Oregon.

CITY OF EUGENE, OREGON

By: Lucy Vinis
Lucy Vinis
City of Eugene Mayor

Date: 10/14/2019

Sarah Medary
Sarah Medary

Date: 10/14/2019